



General Assembly

January Session, 2007

Raised Bill No. 7036

LCO No. 3592

03592_____LAB

Referred to Committee on Labor and Public Employees

Introduced by:
(LAB)

***AN ACT ELIMINATING THE STANDARD WAGE CONTRACT
THRESHOLD.***

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 31-57f of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective October 1, 2007*):

3 (a) As used in this section: (1) "Required employer" means any
4 provider of food, building, property or equipment services or
5 maintenance listed in this subdivision whose rate of reimbursement or
6 compensation is determined by contract or agreement with the state or
7 any state agent: (A) Building, property or equipment service
8 companies; (B) management companies providing property
9 management services; and (C) companies providing food preparation
10 or service, or both; (2) "state agent" means any state official, state
11 employee or other person authorized to enter into a contract or
12 agreement on behalf of the state; (3) "person" means one or more
13 individuals, partnerships, associations, corporations, business trusts,
14 legal representatives or organized groups of persons; and (4) "building,
15 property or equipment service" means any janitorial, cleaning,
16 maintenance or related service.

17 (b) On and after July 1, 2000, the wages paid on an hourly basis to
18 any employee of a required employer in the provision of food,
19 building, property or equipment services provided to the state
20 pursuant to a contract or agreement with the state or any state agent,
21 shall be at a rate not less than the standard rate determined by the
22 Labor Commissioner pursuant to subsection (g) of this section.

23 (c) Any required employer or agent of such employer that violates
24 subsection (b) of this section shall pay a civil penalty in an amount not
25 less than two thousand five hundred dollars but not more than five
26 thousand dollars for each offense. The contracting department of the
27 state that has imposed such civil penalty on the required employer or
28 agent of such employer shall, within two days after taking such action,
29 notify the Labor Commissioner, in writing, of the name of the
30 employer or agent involved, the violations involved and steps taken to
31 collect the fine.

32 (d) The Labor Commissioner may make complaint to the proper
33 prosecuting authorities for the violation of any provision of subsection
34 (b) of this section.

35 (e) For the purpose of predetermining the standard rate of covered
36 wages on an hourly basis, the Labor Commissioner shall establish
37 classifications for all hourly nonsupervisory employees based on the
38 applicable occupation codes and titles set forth in the federal Register
39 of Wage Determinations under the Service Contract Act of 1965, 41
40 USC 351, et seq. The Labor Commissioner shall then determine the
41 standard rate of wages for each classification of hourly nonsupervisory
42 employees which shall be equivalent to the minimum hourly wages set
43 forth in the federal Register of Wage Determinations under the Service
44 Contract Act, plus a thirty per cent surcharge to cover the cost of any
45 health, welfare and retirement plans or, if no such plan is in effect
46 between the employees and the employer, an amount equal to thirty
47 per cent of the hourly wage which shall be paid directly to the
48 employees.

49 (f) Required employers with employees covered by collective
50 bargaining agreements which call for wages and benefits that are
51 reasonably related to the standard rate shall not be economically
52 disadvantaged in the bidding process, provided the collective
53 bargaining agreement was arrived at through arms-length
54 negotiations.

55 (g) The Labor Commissioner shall, in accordance with subsection (e)
56 of this section, determine the standard rate of wages for each
57 classification on an hourly basis where any covered services are to be
58 provided, and the state agent empowered to let such contract shall
59 contact the Labor Commissioner at least ten days prior to the date such
60 contract will be advertised for bid, to ascertain the standard rate of
61 wages and shall include the standard rate of wages on an hourly basis
62 for all classifications of employment in the proposal for the contract.
63 The standard rate of wages on an hourly basis shall, at all times, be
64 considered the minimum rate for the classification for which it was
65 established.

66 (h) Each required employer subject to the provisions of this section
67 shall (1) keep, maintain and preserve such records relating to the
68 wages and hours worked by each employee and a schedule of the
69 occupation or work classification at which each person is employed
70 during each work day and week in such manner and form as the Labor
71 Commissioner establishes to assure the proper payments due to such
72 employees, and (2) upon written request, submit to the contracting
73 state agent a certified payroll which shall consist of a complete copy of
74 such records accompanied by a statement signed by the employer
75 which indicates that (A) such records are correct, (B) the rate of wages
76 paid to each employee is not less than the standard rate of wages
77 required by this section, (C) such employer has complied with the
78 provisions of this section, and (D) such employer is aware that filing a
79 certified payroll which it knows to be false is a class D felony for which
80 such employer may be fined not more than five thousand dollars or
81 imprisoned not more than five years, or both. Notwithstanding the

82 provisions of section 1-210, the certified payroll shall be considered a
83 public record and every person shall have the right to inspect and copy
84 such record in accordance with the provisions of section 1-212. The
85 provisions of subsections (a) and (b) of section 31-59, section 31-66 and
86 section 31-69 which are not inconsistent with the provisions of this
87 section shall apply. Any person who files a false certified payroll in
88 violation of subdivision (2) of this subsection shall be guilty of a class
89 D felony for which such person may be fined not more than five
90 thousand dollars or imprisoned not more than five years, or both.

91 [(i) This section shall not apply to contracts, agreements or grants
92 which do not exceed forty-nine thousand nine hundred ninety-nine
93 dollars per annum.]

94 [(j)] (i) On receipt of a complaint for nonpayment of the standard
95 rate of wages, the Labor Commissioner, the Director of Wage and
96 Workplace Standards and wage enforcement agents of the Labor
97 Department shall have power to enter, during usual business hours,
98 the place of business or employment of any employer to determine
99 compliance with this section, and for such purpose may examine
100 payroll and other records and interview employees, call hearings,
101 administer oaths, take testimony under oath and take depositions in
102 the manner provided by sections 52-148a to 52-148e, inclusive. The
103 commissioner or the director, for such purpose, may issue subpoenas
104 for the attendance of witnesses and the production of books and
105 records. Any required employer, an officer or agent of such employer,
106 or the officer or agent of any corporation, firm or partnership who
107 wilfully fails to furnish time and wage records as required by law to
108 the commissioner, the director or any wage enforcement agent upon
109 request or who refuses to admit the commissioner, the director or such
110 agent to a place of employment or who hinders or delays the
111 commissioner, the director or such agent in the performance of any
112 duties in the enforcement of this section shall be fined not less than
113 twenty-five dollars nor more than one hundred dollars, and each day
114 of such failure to furnish time and wage records to the commissioner,

115 the director or such agent shall constitute a separate offense, and each
116 day of refusal of admittance, of hindering or of delaying the
117 commissioner, the director or such agent shall constitute a separate
118 offense.

119 [(k) Notwithstanding subsection (i) of this section, any employer
120 that pays the state for a franchise to provide food preparation or
121 service, or both, for the state shall be required to certify that the wages
122 and benefits paid to its employees are not less than the standard rate
123 established pursuant to this section.]

124 [(l)] (j) The Labor Commissioner may adopt regulations, in
125 accordance with chapter 54, to carry out the provisions of this section.

126 [(m)] (k) The provisions of this section and any regulation adopted
127 pursuant to subsection [(l)] (j) of this section shall not apply to any
128 contract or agreement entered into before July 1, 2000.

This act shall take effect as follows and shall amend the following sections:		
Section 1	October 1, 2007	31-57f

Statement of Purpose:

To eliminate the contract threshold for payment of the standard wage by providers of services under certain state contracts.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]